

Brian C. Rocca, Bar No. 221576
 brian.rocca@morganlewis.com
 Sujal J. Shah, Bar No. 215230
 sujal.shah@morganlewis.com
 Michelle Park Chiu, Bar No. 248421
 michelle.chiu@morganlewis.com
 Minna Lo Naranjo, Bar No. 259005
 minna.naranjo@morganlewis.com
 Rishi P. Satia, Bar No. 301958
 rishi.satia@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
 One Market, Spear Street Tower
 San Francisco, CA 94105-1596
 Telephone: (415) 442-1000
 Facsimile: (415) 442-1001

Richard S. Taffet, *pro hac vice*
 richard.taffet@morganlewis.com
MORGAN, LEWIS & BOCKIUS LLP
 101 Park Avenue
 New York, NY 10178-0060
 Telephone: (212) 309-6000
 Facsimile: (212) 309-6001

Counsel for Defendants

Glenn D. Pomerantz, Bar No. 112503
 glenn.pomerantz@mto.com
 Kuruvilla Olas, Bar No. 281509
 kuruvilla.olas@mto.com
MUNGER, TOLLES & OLSON LLP
 350 South Grand Avenue, Fiftieth Floor
 Los Angeles, California 90071
 Telephone: (213) 683-9100

Kyle W. Mach, Bar No. 282090
 kyle.mach@mto.com
 Justin P. Raphael, Bar No. 292380
 justin.rafael@mto.com
 Emily C. Curran-Huberty, Bar No. 293065
 emily.curran-huberty@mto.com
MUNGER, TOLLES & OLSON LLP
 560 Mission Street, Twenty Seventh Fl.
 San Francisco, California 94105
 Telephone: (415) 512-4000

Jonathan I. Kravis, *pro hac vice*
 jonathan.kravis@mto.com
MUNGER, TOLLES & OLSON LLP
 601 Massachusetts Ave. NW, Ste 500E
 Washington, D.C. 20001
 Telephone: (202) 220-1100

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

**IN RE GOOGLE PLAY STORE
 ANTITRUST LITIGATION**

THIS DOCUMENT RELATES TO:

*In re Google Play Consumer Antitrust
 Litigation*, Case No. 3:20-cv-05761-JD

State of Utah et al. v. Google LLC et al.,
 Case No. 3:21-cv-05227-JD

Case No. 3:21-md-02981-JD

**DEFENDANTS' MOTION FOR LEAVE
 TO FILE SUPPLEMENTAL BRIEF IN
 SUPPORT OF DEFENDANTS' MOTION
 TO EXCLUDE MERITS OPINIONS OF
 DR. HAL J. SINGER**

Judge: Hon. James Donato

I. INTRODUCTION

Google requests permission under Civil Local Rule 7-11 to file a short supplemental brief in support of its *Daubert* motion to exclude Dr. Singer’s opinions to respond to opinions contained in supplemental expert reports Plaintiffs served after Google filed its *Daubert* motion and without leave of this Court. In those reports, Dr. Singer, for the first time, calculated overcharge damages allegedly suffered by individual consumer plaintiffs. Dr. Singer’s calculations include absurd results and predictions that by his own admission contradict economic principles underlying his logit model, which confirms that his pass-through injury and damages model is unreliable and inadmissible.

First, Dr. Singer’s model predicted overcharges to consumers on numerous transactions that were higher than the service fees actually paid by developers in the real world. *Second*, when Dr. Singer revised his model to try to address that issue, he predicted that developers’ prices would be higher when their service fees were lower, which Dr. Singer admitted “would not be consistent with the Logit model” or “the teachings of economics.” And Dr. Singer himself showed that the only way to correct this problem is to change the real-world data, confirming that Dr. Singer’s failure to account for that data leads to economically unreliable results.

Google should be provided an opportunity to address these calculations disclosed after Google filed its motion. Google’s proposed supplemental brief is attached hereto as **Exhibit 1**, in support of Defendants’ Motion to Exclude the Merits Opinions of Dr. Hal Singer (MDL Dkt. No 487).

II. BACKGROUND

In his opening merits report, served on October 3, 2022, Dr. Singer calculated the damages allegedly suffered by consumers in the aggregate. He did not at that time calculate the damages suffered by any individual consumer. On April 20, 2023, Google moved to exclude Dr. Singer’s opinions on injury and damages as unreliable. *See* MDL Dkt. No. 487.

On April 27, 2023, after Google filed its motion to exclude Dr. Singer’s opinions, lead trial counsel for all member cases held an in-person trial “summit” to discuss a plan and

1 sequencing of the cases in this MDL for trial. At that trial summit, Google asked counsel for
2 Consumer Plaintiffs how Plaintiffs intended to prove damages for any individual plaintiffs at trial.
3 Google reiterated that inquiry by email on May 5, 2023, asking “how Plaintiffs intended to prove
4 damages for individual plaintiffs if they are going to be part of the trial.” *See* Ex. B to
5 Declaration of Justin P. Raphael in Support of Motion for Leave (“Raphael Declaration”).
6 Consumer Plaintiffs’ counsel responded on May 6, 2023, informing Google’s counsel that
7 Plaintiffs “will be supplementing the reports to provide the calculation of damages for the
8 individual plaintiffs under all of the models previously disclosed by Dr. Singer.” *Id.*

9 On May 12, 2023, Consumer Plaintiffs served on Google a Supplemental Expert Report of
10 Dr. Hal Singer. Ex. C to Raphael Declaration. Plaintiffs did not seek leave of Court before
11 serving the Supplemental Report. The Supplemental Report included calculations of alleged
12 damages for all individually named Plaintiffs, including both class representatives and non-class
13 representatives, which purportedly used the methods Dr. Singer had used to calculate aggregate
14 damages in his prior reports. Specifically, Dr. Singer calculated damages for each individual
15 plaintiff using average overcharge percentages for each app category that he calculated based on
16 all transactions within that category. *Id.* ¶ 4. Those calculations predicted that developers would
17 have reduced prices in the but-for world by more than the total amount of service fees they paid
18 to Google in the actual world. On May 18, 2023, Plaintiffs filed their opposition to Google’s
19 Motion to Exclude with no mention of the Supplemental Report. MDL Dkt. No. 508. On June 8,
20 2023, Google filed its reply brief in support of its Motion to Exclude. MDL Dkt. No. 524.

21 On June 16, 2023, Dr. Leonard submitted a Supplemental Expert Rebuttal Report
22 responding to Dr. Singer’s Supplemental Expert Report. Ex. D to Raphael Declaration. In his
23 report, Dr. Leonard described the anomalous results generated by Dr. Singer’s category average
24 methodology for individual plaintiff damages, including that Dr. Singer’s calculations using his
25 “pass-through” logit model predicted that developers would have reduced prices in the but-for
26 world by more than the total amount of service fees they paid to Google in the actual world.

27 More than three weeks after the close of briefing on Google’s Motion to Exclude, on June
28

30, 2023, Dr. Singer submitted a Supplemental Expert Reply Report along with certain backup work papers. Exs. E and F to Raphael Declaration. Dr. Singer’s Supplemental Reply calculated individual plaintiffs’ alleged damages under his “pass-through” theory using a different methodology, which resulted in different damages estimates. *Id.* Specifically, whereas Dr. Singer’s first Supplemental Report used an average “overcharge rate” for each transaction in a particular app category, his Supplemental Reply calculated the alleged overcharge for each individual transaction. None of Dr. Singer’s prior reports had disclosed this methodology. Dr. Singer’s Supplemental Reply predicted that a developer would have charged a higher price when it would have been subject to a lower service fee for the same transaction.

Google deposed Dr. Singer regarding his supplemental reports on July 18, 2023. At that deposition, Dr. Singer admitted that a developer charging a higher price at a lower service fee “would not be consistent” with “the Logit model of demand” that he has used to calculate overcharge damages in this case. Ex. G to Raphael Declaration, ¶ 16:23-17:3.

III. ARGUMENT

Dr. Singer’s supplemental reports contain calculations that confirm that his pass-through methodology is not reliable. Google respectfully requests permission to file a supplemental brief to explain how Dr. Singer’s supplemental reports support Google’s *Daubert* motion. There is good cause for that request. Dr. Singer’s supplemental reports were served after Google filed its motion. Prior to those reports, Dr. Singer had never calculated alleged damages suffered by individual plaintiffs. And Dr. Singer’s Supplemental Reply uses a methodology that had never been disclosed in any of his reports served before Google filed its motion. In short, Consumer Plaintiffs have introduced new evidence relating to Dr. Singer’s opinions regarding injury and damages that was not available to Google when it moved to exclude those opinions of Dr. Singer.

Google respectfully requests the Court’s permission to file a brief addressing that new evidence. Granting Google leave to do so would obviate the need for a possible second round of motions to exclude.

1 **IV. CONCLUSION**

2 Google respectfully requests and moves for permission to file the proposed supplemental
3 brief in support of Google's Motion to Exclude the Merits Opinions of Dr. Singer to address new
4 opinions disclosed after Google filed that Motion and new evidence which confirms that the
5 Motion should be granted.

6
7 Respectfully submitted,

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9 Dated: July 26, 2023

By: /s/ Sujal J. Shah
Sujal J. Shah

10 Brian C. Rocca, Bar No. 221576
11 brian.rocca@morganlewis.com
12 Sujal J. Shah, Bar No. 215230
13 sujal.shah@morganlewis.com
14 Michelle Park Chiu, Bar No. 248421
15 michelle.chiu@morganlewis.com
16 Minna Lo Naranjo, Bar No. 259005
17 minna.naranjo@morganlewis.com
18 Rishi P. Satia, Bar No. 301958
19 rishi.satia@morganlewis.com
20 **MORGAN, LEWIS & BOCKIUS LLP**
21 One Market, Spear Street Tower
22 San Francisco, CA 94105
23 Telephone: (415) 442-1000

24 Richard S. Taffet, *pro hac vice*
25 richard.taffet@morganlewis.com
26 **MORGAN, LEWIS & BOCKIUS LLP**
27 101 Park Avenue
28 New York, NY 10178
Telephone: (212) 309-6000

Glenn D. Pomerantz, Bar No. 112503
glenn.pomerantz@mto.com
Kuruvilla Olas, Bar No. 281509
kuruvilla.olas@mto.com
MUNGER, TOLLES & OLSON LLP
350 South Grand Avenue, Fiftieth Floor
Los Angeles, California 90071
Telephone: (213) 683-9100

Kyle W. Mach, Bar No. 282090
kyle.mach@mto.com
Justin P. Raphael, Bar No. 292380
justin.rafael@mto.com

Emily C. Curran-Huberty, Bar No. 293065
emily.curran-huberty@mto.com
MUNGER, TOLLES & OLSON LLP
560 Mission Street, Twenty Seventh Floor
San Francisco, California 94105
Telephone: (415) 512-4000

Jonathan I. Kravis, *pro hac vice*
jonathan.kravis@mto.com
MUNGER, TOLLES & OLSON LLP
601 Massachusetts Avenue NW, Suite 500E
Washington, D.C. 20001
Telephone: (202) 220-1100

Counsel for Defendants